



# CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 20, 2004

## **H.R. 1731** **Identity Theft Penalty Enhancement Act**

*As ordered reported by the House Committee on the Judiciary on May 12, 2004*

H.R. 1731 would authorize the appropriation of \$2 million each of years 2005 through 2009 for the investigation and prosecution of identity theft and related credit card fraud. The estimated budgetary impact of H.R. 1731 is shown in the following table. CBO estimates that implementing H.R. 1731 would cost \$10 million over the 2005-2009 period, subject to the appropriation of the specified amounts.

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Authorization Level	2	2	2	2	2
Estimated Outlays	2	2	2	2	2

H.R. 1731 also would create new criminal penalties for knowingly possessing another person's means of identification and would increase the criminal fines for other acts of identity theft. Collections of criminal penalties are recorded in the budget as revenues. Under current law, those funds are deposited in the Crime Victims Fund and later spent. Therefore, enacting the bill could increase revenues and direct spending. CBO expects, however, that any additional revenues and direct spending as a result of enacting this bill would not be significant because of the relatively small number of cases involved.

H.R. 1731 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

On February 6, 2003, CBO transmitted a cost estimate for S. 153, the Identity Theft Penalty Enhancement Act, as reported by the Senate Committee on the Judiciary on January 30, 2003. That bill did not authorize appropriations for investigation and prosecution of identity theft and other related credit card fraud; our cost estimates reflect that difference.

The CBO staff contact for this estimate is Lanette J. Walker. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.